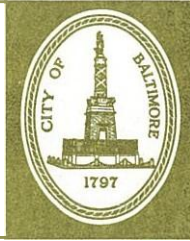

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor



DEPARTMENT OF FINANCE

EDWARD J. GALLAGHER, Director
454 City Hall
Baltimore, Maryland 21202
410-396-4940

January 12, 2012

David N. McClintock,
Inspector General
640 City Hall
Baltimore, Maryland 21202

RE: Draft Report IG 111425-110

Dear Mr. McClintock:

On December 12, 2011, the Inspector General's (IG) office sent a draft summarizing its findings related to the investigation involving personnel and personnel practices within the Office of the Council President. At issue was an individual who returned to City employment for a second time and was erroneously credited with accrual leave balances upon re-entry into service.

The Department of Finance has reviewed the draft report and agrees to the findings contained in the report. Accordingly the Bureau of Accounting and Payroll Services has initiated the following steps in response to your concerns and recommendations.

Actions Taken

Elimination of Leave Balances in EeTIME of Terminated Employees

In October of 2011, Central Payroll worked with ADP to remove existing accrual balances from all terminated employees in the Time Labor Management System (EeTIME). Furthermore in December of 2011, an automated custom program was implemented to the EeTIME system which runs daily to remove terminated employee accrual balances after 30 days.

Leave Accrual in EeTIME of Rehired Employees

The service date and hire date of a new employee are passed into EeTIME from Human Resources (HRIS). When an employee has terminated employment and is rehired, the rehire date should be placed into EeTIME for accrual purposes. Central Payroll staff verifies the correct hire date within EeTIME using a weekly report of rehires entering city employment. There is currently a review of the dates being passed in the file exchange between these two systems with ADP to ensure that the correct hire and rehire dates are applied and that the logic of the accrual is accurate in accordance with City policy and the OIG recommendation.

Conclusion

Bureau of Accounting and Payroll Services agrees with the report's recommendations to improve the integrity and effectiveness of the payroll system. We appreciate the IG and his staff for their courtesy and professionalism throughout the audit process.

Sincerely,



Edward J. Gallagher
Director

Cc: Michael Broache
Clem Ruley
John Bennett

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